Entrepreneurs in conflict zones

- In conflict zones, businesses are widely seen as a positive force that promotes peace.
- Dr. Jay Joseph at the American University of Beirut, Lebanon, and colleagues studied micro and small enterprises, identifying their often contradictory impact on a conflict zone.
- Their work provides policy guidance for aid organisations and offers a framework to guide research on entrepreneurship and peace.

Business for peace (B4P) is a field of study that examines the role of businesses in promoting peace. It espouses the idea that the economic activity generated by businesses helps to reduce poverty and promote peace, which is a concept adopted across the aid sector and the United Nations. In prior research, much of the focus on business-based peacebuilding examines the role of big business in conflict zones; however, this overlooks the potential role of micro and small enterprises.

Dr. Jay Joseph at the American University of Beirut, Lebanon, and his colleagues developed a body of practical and theoretical work to study the neglected contribution that micro and small enterprises (MSEs) may make to peacebuilding. Dr. Joseph reveals that what looks like a peacebuilding business may, on deeper examination, play a part in continuing conflict – citing that a ‘business for peace’ may be more difficult to identify than was previously imagined.

Peacebuilding from the ground up
To examine the role of MSEs in conflict zones, Dr. Joseph and colleagues undertook a case study in north Lebanon during 2018. The area was affected by two violent, sectarian conflicts and by an acute refugee influx from the neighbouring Syrian Civil War. The refugees were straining the local economy and fuelling social tension. Dr. Joseph interviewed 23 owners of carpentry MSEs that had been affected by these conflicts to see whether their business practices were contributing to peacebuilding.

The study, published in 2021, found that the profit-motive of business owners promoted peacebuilding behaviours, such as providing supportive job training, following the rule of law, and engaging in behaviours that advanced social cohesion. In general, the MSEs displayed a far greater community orientation and commitment to employees and customers than multinational companies exhibited in their dealings on the ground. This confirmed the importance of the MSE sector, which is often overlooked in business for peace studies.

Significantly, the study also found that these peacebuilding benefits were only felt by Lebanese factions. Business owners cited that their activities led to greater cohesion among different Lebanese factions; however, at the same time, they were at odds with Syrian carpenters operating in the same region. The Lebanese carpenters felt that the Syrian operators were profiting unfairly by operating in a black economy, creating grievances that enhanced ethnic identification and intergroup bias, discrimination, and tension. In this case, Dr. Joseph had found that business is not always for peace but can also play a role in advancing conflict and division.

Intergroup dynamics
This study both confirmed the relevance of MSEs to peacebuilding and discovered that their potential benefit can be eroded by intergroup differences. This means that a paradoxical scenario can develop where enterprises can foster peace via economic growth while simultaneously aggravating intergroup conflict, suggesting that peacebuilding is most effective when enterprises not only engage in economic development, but do so in a way that simultaneously advances intergroup relations.

Dr. Joseph found that the informal marketplace, where MSEs usually operate in conflict zones, creates a space for
Jay Joseph

Principles for peacebuilding

A wider understanding

Dr Joseph’s framework can help aid organisations identify genuine peacebuilding businesses and avoid supporting those that may provide some benefits, but only at the cost of wider conflict.

Peacebuilding is most effective when it is done in a way that simultaneously advances intergroup relations.


